

V.
COMMITTEE ON TRANSPORTATION.

(Railway and Steamship.)

"International trade, as regards most commodities, is highly competitive. The successful development of foreign commerce is dependent upon the economy and efficiency of domestic production and upon the working out of the territorial division of labour, that will enable each section of the country to engage in the productive activities for which it is best equipped as to climate, resources, and labour supply. Success in production, which is the necessary antecedent of foreign trade, is the result of the best use of the various resources of the country, of the application of labour and capital where they will produce the largest results, of the distribution and organization of industry that will yield the largest annual output at the minimum cost.

"A country of continental proportions can engage largely and profitably in foreign trade only if equipped with economical means of transportation both by land and by sea. The country well supplied with railways and inland waterways that are co-ordinately and efficiently managed and that serve all sections capable of settlement and development is able to engage successfully in the production of exports and to make profitable use of large quantities of imports both of raw materials and of more or less completely fabricated manufactures. The entire country with all its resources and energies may engage in industrial competition with other countries and sections of the world."

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